

AMENDED IN ASSEMBLY MARCH 4, 2014

CALIFORNIA LEGISLATURE—2013–14 REGULAR SESSION

ASSEMBLY BILL

No. 1602

Introduced by Assembly Member Patterson

February 5, 2014

An act to amend Section 220.5 of the Streets and ~~Highway~~ *Highways* Code, and to amend Section 19629 of the Welfare and Institutions Code, relating to public social services.

LEGISLATIVE COUNSEL'S DIGEST

AB 1602, as amended, Patterson. Public social services: business enterprises for the blind.

~~Existing law establishes the Business Enterprises Program for the Blind for the purpose of providing blind persons with remunerative employment, enlarging the economic opportunities of the blind, and stimulating the blind to greater efforts in striving to make themselves self-supporting. To further these purposes, existing law requires that blind persons be given priority in operating vending facilities, and in the assignment of vending machine income, on state property. Existing law requires that, if any funds are set aside, or caused to be set aside, by the Department of Rehabilitation from the net proceeds of the operation of the vending facilities, the set aside only be to the extent necessary, but not to exceed 6% of gross sales, to pay for specified costs, including maintenance and replacement of equipment and the purchase of new equipment.~~

~~This bill would specify that the maximum 6% set aside may be used to pay for power supplies, which is a component of maintenance.~~

~~Existing law requires the Department of Transportation to authorize the placement of vending machines in safety roadside rests, except as~~

specified, and requires the department to give preference in the placement of vending machines to vendors operating under the Business Enterprises Program for the Blind. Existing law requires the department to determine the costs for specified activities, including any maintenance and operation, related to the vending machines and requires that the department be reimbursed for those costs from the revenues derived from the operation of the machines.

This bill would prohibit the department from ~~seeking reimbursement from being reimbursed for power-supply costs incurred by vendors operating under the Business Enterprises Program for the Blind for power-supply costs not included in a reimbursement to the department from that set aside, and would require the department to pay for those power-supply costs using state funds.~~

Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: no.

The people of the State of California do enact as follows:

- 1 SECTION 1. Section 220.5 of the Streets and Highways Code
- 2 is amended to read:
- 3 220.5. (a) The department shall authorize the placement of
- 4 vending machines in safety roadside rests, unless prohibited by
- 5 federal laws, rules, or regulations.
- 6 (b) The department, pursuant to provisions contained in
- 7 paragraph (5) of subsection (a) of Section 2 of the Act of June 20,
- 8 1936, commonly known as the Randolph-Sheppard Act, as
- 9 amended (20 U.S.C. Sec. 107a(a)(5)), shall give preference for the
- 10 placement of vending machines in safety roadside rest areas along
- 11 state highways to vendors operating under the Business Enterprises
- 12 Program for the Blind in accordance with Article 5 (commencing
- 13 with Section 19625) of Chapter 6 of Part 2 of Division 10 of the
- 14 Welfare and Institutions Code.
- 15 (c) The department may determine which safety roadside rest
- 16 areas are suitable for inclusion in the vending machine program
- 17 and the appropriate location within each roadside rest area for the
- 18 placement of the machines, and the department shall approve the
- 19 design and construction of any shelter or structure that may be
- 20 required for the machines.
- 21 (d) (1) The department shall determine the costs for any
- 22 maintenance, operations, design review, or other activities related

1 to the vending machines ~~and~~ *and, except as provided in paragraph*
2 (2), shall be reimbursed for those costs from the revenues derived
3 from the operation of the machines.

4 ~~(2) If a set aside has been authorized pursuant to Section 19629~~
5 ~~of the Welfare and Institutions Code, the department shall not seek~~
6 ~~reimbursement from vendors operating under the Business~~
7 ~~Enterprises Program for the Blind for power-supply costs not~~
8 ~~included in any reimbursement provided to the department from~~
9 ~~that set aside.~~

10 *(2) The department shall not be reimbursed for power-supply*
11 *costs incurred by vendors operating under the Business Enterprises*
12 *Program for the Blind and shall pay for those power-supply costs*
13 *using state funds.*

14 (e) Any money received by the department for authorizing the
15 placement of, or from the income from, the vending machines shall
16 be transferred to the State Highway Account.

17 SEC. 2. ~~Section 19629 of the Welfare and Institutions Code is~~
18 ~~amended to read:~~

19 ~~19629. (a) The department shall provide that, if any funds are~~
20 ~~set aside, or caused to be set aside, from the net proceeds of the~~
21 ~~operation of the vending facilities those funds shall be set aside,~~
22 ~~only to the extent necessary, but not to exceed the amount equal~~
23 ~~to 6 percent of gross sales, and may be used only for the following~~
24 ~~purposes:~~

25 ~~(1) Maintenance, which includes power supplies, and~~
26 ~~replacement of equipment.~~

27 ~~(2) The purchase of new equipment.~~

28 ~~(3) The construction of new vending facilities.~~

29 ~~(4) Funding the functions of the committee of blind vendors~~
30 ~~established by Section 19638.~~

31 ~~(5) Retirement or pension funds, health insurance contributions~~
32 ~~or premiums, life insurance contributions or premiums to the extent~~
33 ~~approved by the federal Rehabilitation Services Administration,~~
34 ~~and provision for paid sick leave or vacation time or~~
35 ~~business-related insurance, if it is so determined by a majority vote~~
36 ~~of blind vendors after the department provides to each vendor full~~
37 ~~information on all matters relevant to these purposes. The~~
38 ~~department shall seek the necessary approval for expenditures of~~
39 ~~set-aside funds for life insurance contributions or premiums.~~

1 ~~(b) No set-aside funds shall be collected where the monthly net~~
2 ~~proceeds are less than one thousand dollars (\$1,000). This amount~~
3 ~~shall be annually adjusted by the department to reflect changes in~~
4 ~~the cost of living. The average of the separate indices of cost of~~
5 ~~living for Los Angeles and San Francisco, as published by the~~
6 ~~United States Bureau of Labor Statistics, shall be used as the basis~~
7 ~~for determining the change in the cost of living.~~

8 ~~(c) Set-aside funds collected from the operation of all vending~~
9 ~~facilities administered by the Business Enterprise Program shall~~
10 ~~be placed in a single fund.~~

11 ~~(d) As used in this section, “net proceeds” shall be the sum of~~
12 ~~the amount remaining from the sale of articles or services and the~~
13 ~~amount of any vending machine or other income accruing to blind~~
14 ~~vendors after the cost of sale and other expenses (excluding~~
15 ~~set-aside charges required to be paid by the blind vendors) have~~
16 ~~been deducted.~~

17 ~~(e) It is the intent of the Legislature that the expenditure of the~~
18 ~~service charges authorized by this section shall be supplemental~~
19 ~~to any current appropriations available for these purposes and shall~~
20 ~~not constitute an offset or diminution of any appropriations.~~

21 ~~(f) An amount equal to 10 percent of the wages paid by a vendor~~
22 ~~to any blind person, as defined in Section 19153, or to any disabled~~
23 ~~person, as defined in regulations issued by the department, shall~~
24 ~~be deducted from any service charge paid by the vendor, in order~~
25 ~~to encourage vendors to employ more blind and disabled workers~~
26 ~~and thereby set an example for industry and government. There~~
27 ~~shall be no deduction from any service charge paid by a vendor if~~
28 ~~the vendor does not pay wages at least equal to the minimum wages~~
29 ~~required of employers pursuant to Chapter 1 (commencing with~~
30 ~~Section 1171) of Part 4 of Division 2 of the Labor Code.~~